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Administrative and budgetary aspects of the financing of the United Nations peacekeeping operations

Updated report on the review of the methodology for rates of reimbursement to troop-contributing countries

Report of the Secretary-General

Summary

The present report is submitted pursuant to General Assembly resolution 62/252, in which the Assembly requested the Secretary-General to submit an update of his report on the review of the methodology for rates of reimbursement to troop-contributing countries, including the arrangements for recreational leave allowance, for its consideration at the second part of its resumed sixty-third session. The actions to be taken by the Assembly are set out in section IV of the present report.

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I. Introduction

1. In its resolution 55/274, the General Assembly requested the Secretary-General to submit to the Assembly for its approval at its resumed fifty-sixth session, taking into account the views expressed by Member States, a methodology for reimbursement for troop costs, covering troops and formed police units, and a questionnaire to be submitted to troop-contributing countries, on the basis of the following elements and guidelines:

(a) Troops, formed civilian police units and staff officers serving in United Nations peacekeeping operations should be reimbursed on an equal basis for identical services;

(b) Reimbursement for troop costs should take into consideration, inter alia, general principles such as simplicity, equity, transparency, comprehensiveness, portability, financial control and audit and confirmed delivery of specified services, all of which should be built into the agreements entered into by the United Nations with the participating States;

(c) The data for the survey should identify the common and essential additional costs from existing troop levels related to personnel that are incurred by troop-contributing countries due to their participation in United Nations peacekeeping operations, including the establishment of a standard vaccination package and identification of mission-specific vaccines and mission-specific medical and biochemical examinations, using the data available from the World Health Organization and the United Nations Children's Fund, that could be liable for reimbursement;

(d) The methodology should ensure that no double payment is made with respect to reimbursement between the various levels of self-sustainment, components of troop costs and any other allowances.

2. By the same resolution, the General Assembly decided that a future standard rate of reimbursement for troop costs should be based on new survey data that would be representative of the costs incurred by around 60 per cent of countries that have contributed troops to peacekeeping operations. It decided also, on an interim and ad hoc basis, to increase the standard rate of reimbursement for troop costs to troop-contributing countries by 2 per cent, effective 1 July 2001, and decided further that an additional 2 per cent increase, on an interim and ad hoc basis, would be effective as of 1 January 2002, bringing the total increase of the then rate of reimbursement for troop costs to 4 per cent. The consequential applicable revised rates of reimbursement for troop costs effective from 1 January 2002 remain unchanged, as set forth in the table below:

Rates of reimbursement for troop costs

(United States dollars, rounded to the nearest unit)

Category	
Basic pay and allowance	1 028
Specialists' allowance[a]	303
Allowance for personal clothing, gear, equipment and personal weapons and ammunition	73

[a] Payable for 10 per cent of infantry contingents and formed police units and for 25 per cent of support contingents.

3. In his report on the review of the rates of reimbursement to the Governments of troop-contributing States to the General Assembly at its fifty-seventh session (A/57/774), the Secretary-General proposed a methodology and submitted a proposal for the periodicity of the review of the rates of reimbursement and a questionnaire. In its resolution 59/298, the General Assembly noted that the report did not address all elements of the request made in paragraph 8 of its resolution 55/274 and requested the Secretary-General to submit a comprehensive report thereon, addressing all elements, to the Assembly at its sixtieth session. The Assembly also decided to review the daily allowance for troops at its resumed sixtieth session, based on information to be provided in the context of the comprehensive report.

4. In his report on the review of the methodology for rates of reimbursement to troop-contributing countries to the General Assembly at its sixtieth session (A/60/725 and Add.1), the Secretary-General proposed a new methodology, addressing all the elements of the request made by the General Assembly in its resolution 55/274, as well as a questionnaire for the United Nations rates of reimbursement survey of troop-contributing countries and proposed questionnaires for two field surveys, one of which was on the daily allowance paid to troops.

5. In his report on reformed procedures for determining reimbursement to Member States for contingent-owned equipment to the General Assembly at its sixty-second session (A/62/774 and Corr.1), the Secretary-General welcomed the recommendation contained in the report of the 2008 Working Group on Contingent-Owned Equipment (A/C.5/62/26) that the recreational leave allowance be increased from the current 7 days to 15 days for each six-month tour of duty for members of military contingents/formed police units. The Working Group requested the legislative bodies to consider this issue, as it comes under the umbrella of troop costs.

6. The General Assembly, in its resolution 62/252, requested the Secretary-General to submit an update of his report on the review of the methodology for rates of reimbursement to troop-contributing countries, including the arrangements for recreational leave allowance, for its consideration at the second part of its resumed sixty-third session.

II. Proposed methodology

A. Proposed methodology for rates of reimbursement to troop-contributing countries

7. The methodology for rates of reimbursement proposed by the Secretary-General (A/60/725), which fully addressed the guidance provided by the General Assembly in its resolution 55/274, consists of four phases: survey design; data collection; data analysis; and reporting. The four phases of the methodology define the survey process: (a) the survey design phase covers periodicity, population and modes of dissemination of the survey; (b) the data collection phase determines the cost components of the survey and the actual questionnaire to be sent to the population and also covers the design of the portfolio of evidence for the collected data; (c) the data analysis phase defines the response rate that would yield representative data on costs of countries contributing troops to peacekeeping.

technical details on the calculation of the so-called absorption factor that is used to analyse the cost data and the presentation (level of aggregation) of the actual rates of reimbursement; and (d) the reporting phase describes how the outcomes of the data analysis would be conveyed to the Assembly, to enable fully informed decisions concerning rates of reimbursement. The proposed methodology, as described in detail in the above-mentioned report of the Secretary-General (A/60/725, paras. 9-74), is resubmitted for the consideration and approval of the General Assembly.

B. Proposed methodology for daily allowance for troops

8. The daily allowance for troops was originally intended to cover incidental personal requirements and is currently payable at a rate of $1.28 per person/day directly to the deployed troops. Although the rate has remained unchanged since 1974, the daily allowance was not considered in the previous reviews conducted. In the absence of a methodology to carry out a review, in the same report the Secretary-General proposed a three-tiered approach to collect data on the rate (A/60/725, paras. 75-77). It was suggested that data and views on the daily allowance would be collected as part of the questionnaire presented in the addendum to the report (A/60/725/Add.1), as well as in a questionnaire to force commanders in peacekeeping missions and in a separate questionnaire to randomly selected peacekeepers deployed to missions, also presented in the addendum to the report. The Secretariat would summarize the collected data from the above three surveys and report to the General Assembly its findings for further consideration. The approval by the Assembly of the proposed field questionnaires is sought in order to enable the Secretariat to implement the proposed approach to data collection.

III. Recreational leave allowance

9. Under the current rules, contingent personnel earn leave at 2.5 days per month, for a total of 15 days during a six-month assignment to peacekeeping missions, but are entitled only to a recreational leave allowance of $10.50 per day for a maximum of seven days.

10. Military personnel have been entitled to 2.5 leave days for each completed month of service since the United Nations Operations in the Congo (ONUC), as was indicated in the report of the Secretary-General on the budget estimates for ONUC for 1961 (A/4703). In his report on the financing of the United Nations Emergency Force (UNEF) and the United Nations Disengagement Observer Force (UNDOF) for the financial period from 25 October 1976 to 24 October 1977 (A/31/288), the Secretary-General identified, as part of the proposed provision for welfare and recreation, a provision for recreational leave allowance of troops at the rate of $10.50 per day for up to seven days of recreational leave per six-month period. These provisions remain unchanged and are reflected in the budgets of all peacekeeping operations.

11. In its report, the 2008 Working Group on Contingent-Owned Equipment recommended an increase in recreational leave allowance from the current 7 days to 15 days for each six-month tour of duty for members of military contingents/formed

police units and requested the legislative bodies to consider this issue, as it comes under the umbrella of troop costs (A/C.5/62/26, para. 90). The recommendation of the Working Group was based on the proposals emerging from the comprehensive review of the welfare and recreation needs of all categories of peacekeeping personnel (A/62/663) and derived from the report of the Office of Internal Oversight Services on entitlements for military personnel (AP2006/600/5), in which the Office recommended that the rules on recreational leave allowance should be revised to make the allowance admissible for the entirety of 15 days of leave available to members of military contingents and formed police units during their six-months' assignment. The Secretary-General, in his report on reformed procedures for determining reimbursement to Member States for contingent-owned equipment (A/62/774 and Corr.1), welcomed this recommendation as the provision of the additional eight days of recreational leave allowance would improve the morale of the troops/police personnel deployed in peacekeeping operations. Based on a full deployment of the total authorized strength of troop and formed police units of 103,000 personnel, the financial implication would be $17.3 million per annum.

IV. Actions to be taken by the General Assembly

12. **The actions to be taken by the General Assembly are to approve:**

(a) **The proposed methodology for the rates of reimbursement, including the proposed questionnaire;**

(b) **The proposed rate of exchange reference date for the conversion of collected cost data from national currencies to United States dollars;**

(c) **The conduct of the first survey in 2009 and proposed periodicity thereafter;**

(d) **The proposed field questionnaires to collect data on the daily allowance for troops;**

(e) **The increase in the number of days of recreational leave allowance for members of the military contingents and formed police units from 7 to 15.**